**Memorandum by Parties Recording Equitable Mortgage**

**MEMORANDUM RECORDING EQUITABLE MORTGAGE** executed at \_\_\_\_\_\_\_ this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_ 200\_\_\_ between
M/s. ABC Ltd. a Company incorporated under the provisions of the Companies Act 1956 having its registered office at \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as **“THE MORTGAGOR”** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the **ONE PART**; and XYZ of \_\_\_\_\_\_\_\_\_\_\_, Indian Inhabitant having his address
at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include his legal heirs, executors and administrators) hereinafter collectively referred to as **“THE MORTGAGEE”** of the **OTHER PART**;

WHEREAS:—

(a) The Mortgagor is the Owner of and well and sufficiently seized and possessed of office premises bearing No. \_\_\_\_ admeasuring about \_\_\_\_\_\_\_\_ sq.ft. (built up area) on the \_\_\_\_\_\_ floor of the building known as “ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” situated at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as **“the said office premises”**) together with furniture and fixtures lying therein and are well and sufficiently entitled to five shares of
Rs. 50/- each bearing distinctive Nos. \_\_\_\_\_\_ to \_\_\_\_\_\_\_ (both inclusive) contained in the Share Certificate No. \_\_\_\_\_\_\_\_ (hereinafter referred to as **“the said Shares”**) issued by PQR Co-operative Premises Society Ltd. The said office premises and the said shares are hereinafter collectively referred to as **“the said premises”** and are more particularly described in the **First Schedule** hereto.

(b) Pursuant to the General Body Resolution passed at the 11th Annual General Meeting of the Mortgagor held on \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_ 200\_\_, the Board of Directors of the Mortgagor are authorized to borrow from time to time the required amounts for the purpose of the Mortgagor company and are also authorized to Mortgage and/or charge all or any of the moveable and immoveable properties of the Mortgagor Company.

(c) The Mortgagor being in need of finance for their business purposes, requested the Mortgagee to provide the said finance.

(d) Pursuant to the said request of the Mortgagor, the Mortgagee has advanced to the Mortgagor a sum of Rs. \_\_\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_only) against the security of the said premises by way of equitable Mortgage by deposit of the Title Deeds relating to the said premises as mentioned in the list in the second Schedule hereunder written with intent to create a security on the said premises for repayment of the said loan with interest.

(e) The parties are desirous of recording the fact of the said mortgage by deposit of title deeds created by the Mortgagor in favour of the Mortgagee.

NOW IT IS RECORDED BY AND BETWEEN THE PARTIES AS UNDER:—

1. In consideration of the sum of Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ only) advanced by the Mortgagee to the Mortgagor, the Mortgagor doth record and confirm that on \_\_\_\_\_\_\_\_\_\_\_ day of 200\_\_\_ it has deposited with the Mortgagee the Title Deeds of the said premises described in the **First Schedule** hereunder written and which said Title Deeds are as enlisted in the **Second Schedule** hereto.

2. The Mortgagor agrees and covenants with the Mortgagee to repay the said amount on or before the \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_ 200\_\_\_\_ (hereinafter referred as the “**due date**”) together with agreed rate of interest thereon as mentioned hereinafter.

3. The Mortgagor agrees that in the meanwhile and until repayment of the said principal amount in full, it will pay to the Mortgagee interest on the said Mortgage debt at the rate of 18% (eighteen percent) per annum. The said interest for every quarter shall be paid in advance until the said principal sum is repaid in full.

4. If the Mortgagor fails to pay any installment of interest in advance as aforesaid or commits breach of any other term of these presents or commits any act which in the opinion of the Mortgagee will be prejudical to the interest of the Mortgagee and/or the security created, the Mortgagee will be entitled to call back the principal debt whether the due date has expired or not together with all interest and compound interest accrued thereon and to enforce and realise the said security created in his favour on the basis of the agreed terms between the parties hereto.

5. The Mortgagor declares and confirms that the Title deeds mentioned in the second Schedule hereunder written relating to the said premises described in the First Schedule hereunder written are deposited with the Mortgagee with intent to create an equitable Mortgage security for repayment of the aforesaid mortgage debt and the Mortgagee shall be entitled to hold the said security so long as the Mortgage debt and any other amount in respect thereof remains due and payable by the Mortgagor to the Mortgagee.

6. The Mortgagor agrees and covenants with the Mortgagee that all costs, charges and expenses incurred by the Mortgagee for defending the title of the Mortgagor to the said premises if need arises and for enforcement of the said security created in their favour shall be payable by the Mortgagor and shall be deemed to form part of the mortgage debt secured by the said deposit of title deeds.

7. The Mortgagor agrees and covenants with the Mortgagee that, upon request of the Mortgagee but at the entire cost and expense of the Mortgagor, the Mortgagor shall execute and register in favour of the Mortgagee a legal Mortgage of the said premises with such powers and provisions and in such form as the Mortgagee may require for further and better securing the said principal debt and interest.

8. The Mortgagor hereby declares and covenants with the Mortgagee as follows:—

(a) That the Mortgagor has duly paid and discharged in full all the dues and liabilities in respect of the said Premises including the Municipal outgoings, taxes, rates, maintenance charges etc. payable to the Society till date and shall continue to do so till the said Mortgage debt is fully repaid.

(b) That its title to the said premises is free from all encumbrances and reasonable doubts.

(c) That the Mortgagor is the sole and absolute owner and beneficiary of the said Premises and is absolutely entitled to the same and to all incidental rights thereof and to the use, enjoyment and occupation of the said Premises and except the Mortgagor no other person or persons have any right, title, interest, claim or demand of any nature whatsoever to the said Premises.

(d) That notwithstanding any act, deed, matter or thing whatsoever done, omitted by the mortgagor or any person or persons lawfully and equitably claiming by, from, through, or in trust for the mortgagor, they the Mortgagor have full power and absolute authority in it’s own right to mortgage the said property and/or to create the said security in favour of the Mortgagee.

(e) That neither the Mortgagor nor any one on its behalf has committed or omitted any act, deed, matter or thing whereby its holding of the said shares and incidental rights thereto including the right to peaceful use, occupation, ownership and enjoyment of the said office premises and other rights and benefits in respect thereof may become or be prejudicially affected or encumbered in any manner or whereby the said shares and its other rights, title and interest therein may become liable to attachment and/or sale whether by a decree or order of any Competent Court or otherwise;

(f) That the Mortgagor has not created or purported to create any tenancy, license, charge, lease, mortgage or lien over the said premises and no other person or party has any right, title, interest, claim or demand into or upon the same either by way of mortgage, gift, trust, inheritance, lease or otherwise and there is no pending litigation of any kind whatsoever and further that henceforth the Mortgagor shall not enter into any agreement/writing with any third party for creating any rights of whatsoever nature in respect of the said Premises until and unless the entire mortgage debt is repaid to the Mortgagee in full.

(g) Neither any winding up petitions are pending against the Mortgagor before any court of law nor any winding up notices are received by the Mortgagor.

(h) The Mortgagor shall get the said charge created in favour of the Mortgagee by way of equitable mortgage registered with PQR Co-operative Premises Society Ltd., as also with the Registrar of Companies under the provisions of the Companies Act, 1956.

 Upon the aforesaid representations, declarations, and covenants, of the Mortgagor, the Mortgagee have lent and advanced the said sum to the Mortgagor.

9. The Stamp duty and registration charges, if any, required, on this Memorandum as also all incidental cost and expenses thereof shall be paid and borne by the Mortgagor.

**THE FIRST SCHEDULE ABOVE REFERRED TO:**

(Description of the said premises)

**THE SECOND SCHEDULE ABOVE REFERRED TO:**

(List of Title Deeds)

IN WITNESS WHEREOF the parties hereto have executed these presents on the day and year find hereinabove written.

THE COMMON SEAL OF the within named )

ABC LTD., the MORTGAGOR above named )

is hereunto affixed pursuant to the )

Resolution of its Board of Directors )

passed in that behalf, on the \_\_\_\_\_\_ )

day of \_\_\_\_\_\_\_\_\_\_\_ 200\_\_\_ in the presence of )

(1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Managing Director and )

(2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Director and in )

the presence of:- )]

SIGNED, SEALED AND DELIVERED by )

the within Named XYZ the MORTGAGEE )

above named, in the presence of:- )

**Note: This kind of memorandum is a contract between the parties and will be required to be registered.**